

(e) the Company may terminate this Agreement pursuant to and in accordance with the provisions of Section 4.7 by giving written notice to the Buyer, provided that on or before such termination the Debtors shall have paid to the Buyer the applicable Buyer Breakup Fee;

(f) the Buyer may terminate this Agreement by giving written notice to the Company if the Initial Merger Order has not been entered by the Bankruptcy Court on or prior to September 4, 1998;

(g) The Company may terminate this Agreement by giving written notice to the Buyer if (i) the Buyer's Board of Directors does not issue the Buyer Recommendation prior to the Meeting or withdraws or amends in a manner adverse to the Company the Buyer Recommendation or otherwise materially breaches the first sentence of Section 4.12 or of Section 4.13(a) or (ii) at the Meeting the Buyer Charter Amendment or the Buyer Share Issuance is not approved by the requisite vote of the holders of Buyer Common Stock;

(h) the Buyer may terminate this Agreement by giving written notice to the Company if the Company or any other Debtor files either an amendment to the Amended Plan or any other plan of reorganization in violation of Section 4.4(b);

(i) the Buyer may terminate this Agreement by giving written notice to the Company if (x) the Company takes any action (or omits to take any action) that would constitute a material breach of any of its material covenants or agreements contained in Section 4.1 or 4.5 but for the language of such Sections that permits the Company to take actions (or omit to take actions) required by a Bankruptcy-Related Requirement, and (y) such action (or omission to take action) is not remedied within 20 business days of delivery of written notice thereof (which notice shall specify in reasonable detail the nature of such action (or omission to take action) and the nature of the resulting breach (but for such language)); and

(j) either the Buyer or the Company may terminate this Agreement by giving written notice to the other (i) if at the time of giving such notice the Debtor Tower Agreement shall have been terminated in accordance with its terms, unless, prior to or simultaneously with such termination, the Company shall have entered into a definitive agreement (which agreement (herein called a "Replacement Tower Agreement") shall be comparable in form and substance to the Debtor Tower Agreement, and any lease (herein called a "Comparable Tower Lease") entered into in connection therewith shall be comparable in form and substance to the Master Lease (as defined in the Debtor Tower Agreement), and a copy of which shall be delivered to Arch promptly following execution thereof) with a bona fide third-party purchaser providing for a sale to such third party of the assets or substantially all the assets to be sold to Pinnacle Towers Inc. pursuant to the Debtor Tower Agreement and which results in net proceeds to the Company of not less than \$165,000,000 (an "Acceptable Sale"), or (ii) on or after December 31, 1998 if the Closing (as defined in the Debtor Tower

Agreement) or the closing of an Acceptable Sale shall not have occurred on or before such date.

6.2 **Effect of Termination.** If any Party terminates this Agreement pursuant to Section 6.1, all obligations of the Parties hereunder shall terminate without any liability of any Party to any other Party, except for any liability of any Party for willful or intentional breaches of this Agreement, and except for the Company's obligation to pay the Buyer Breakup Fee, if applicable, and the Buyer's obligation to pay the Company Breakup Fee, if applicable, each pursuant to Section 4.8, which shall survive any such termination; provided that Article VIII shall also survive any such termination. Any claims arising out of or in connection with the Company's willful or intentional breach of any covenant or agreement herein after entry of the Confirmation Order shall be treated as a claim for an expense of administration under 11 U.S.C. § 503(b)(1) of each of Debtor's bankruptcy estate.

ARTICLE VII

DEFINITIONS

For purposes of this Agreement, each of the following defined terms is defined in the Section of this Agreement indicated below.

<u>Defined Term</u>	<u>Section</u>
Affected Employees	4.18(a)
Agreement	Introduction
Agreement Date	Introduction
Allowed Claims	Preliminary Statement
Amended Plan	Preliminary Statement
Attachment C Stations	4.15
Audited Company Financial Statements	2.5(a)
Bankruptcy Code	2.1(a)
Bankruptcy Court	Preliminary Statement
Bankruptcy-Related Requirements	4.5
Bear Stearns	3.22
Breakup Events	4.8(a)
Business Entity	2.4(a)
Buyer	Introduction

<u>Defined Term</u>	<u>Section</u>
Buyer Acquisition Proposals	4.7(d)
Buyer Affiliated Group	3.8(a)
Buyer Affiliated Period	3.8(a)
Buyer Authorizations	3.14(a)
Buyer Balance Sheet Date	3.5(b)
Buyer Breakup Fee	4.8(a)
Buyer Business Entity	3.4(a)
Buyer Class B Common Stock	3.1(b)
Buyer Common Stock	Preliminary Statement
Buyer Charter Amendment	4.12
Buyer Disclosure Schedule	Article III
Buyer Distribution	1.7(a)
Buyer Employee Benefit Plan	3.17(a)
Buyer FCC Applications	3.14(b)
Buyer FCC Material Adverse Effect	5.1(e)
Buyer Intellectual Property	3.11(a)
Buyer Licenses and Authorizations	3.14(b)
Buyer Material Adverse Effect	Article III
Buyer Preferred Stock	1.7(a)
Buyer Recommendation	4.12
Buyer Reimbursement	4.21
Buyer Reports	3.5(a)
Buyer Share Issuance	3.1(b)
Buyer State Applications	3.14(b)
Buyer Stock	1.7(a)
Buyer Subsidiary	3.4(c)
Buyer Superior Proposal	4.7(e)
Buyer Warrant Agreement	Preliminary Statement
Buyer Warrants	Preliminary Statement
CERCLA	2.18(a)
Certificate of Merger	1.1

<u>Defined Term</u>	<u>Section</u>
Chapter 11 Proceeding	Preliminary Statement
Closing	1.2
Closing Date	1.2
Code	Preliminary Statement
Communications Act	2.3
Company	Introduction
Company Acquisition Proposals	4.7(a)
Company Balance Sheet Date	2.5(a)
Company Breakup Fee	4.8(b)
Company Disclosure Schedule	Article II
Company Employee Benefit Plans	2.17(a)
Company Financial Statements	2.5(a)
Company Group	2.8(b)(i)
Company Stock	1.5(b)
Company Superior Proposal	4.7(b)
Company Tower Sale Proceeds	5.2(f)
Comparable Tower Lease	6.1(j)
Confidentiality Agreement	4.7(c)
Confirmation Order	Preliminary Statement
Debtor	Preliminary Statement
Debtor Affiliated Group	2.8(b)
Debtor Affiliated Period	2.8(b)
Debtor Authorizations	2.14(a)
Debtor Business Entity	2.4(a)
Debtor FCC Applications	2.14(b)
Debtor FCC Material Adverse Effect	5.1(e)
Debtor Licenses and Authorizations	2.14(b)
Debtor Material Adverse Effect	Article II
Debtor State Applications	2.14(b)
Debtor Tower Agreement	2.10
Debtors	Preliminary Statement

<u>Defined Term</u>	<u>Section</u>
Debtors' Intellectual Property	2.11(a)
DGCL	1.1
DIP Loan Agreement	1.11
Disclosure Statement	4.4(b)
Dispose	4.5(a)(i)
Effective Time	1.1
Employee Benefit Plan	2.17(a)
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Environmental Property Transfer Act	2.18(f)
ERISA	2.17(a)
ERISA Affiliate	2.17(a)
Exchange Act	2.3
Exchange Agent	1.3
Exclusivity Provisions	4.7(a)
FCC	2.3
FCC Applications	4.15
Filing Date	2.5(a)
Final Order	5.1(e)
Former Employees	4.18(b)
GAAP	2.5(a)
Governmental Entity	2.3
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HSR Act	2.3
Indirect Buyer Authorizations	3.14(b)
Indirect Debtor Authorizations	2.14(b)
Initial Merger Motion	4.4(a)
Initial Merger Order	4.4(a)
Interim Monthly Financial Statements	4.10
June 30 Unaudited Company Balance	2.5(a)
knowledge	8.15

<u>Defined Term</u>	<u>Section</u>
Major Breakup Event	4.8(a)
Materials of Environmental Concern	2.18(b)
Meeting	4.12
Merger	1.1
Merger Subsidiary	Introduction
Minor Breakup Event	4.8(a)
Most Recent Buyer Balance Sheet	3.5(b)
Ordinary Course of Business	2.3
Parties	Introduction
Parent	Introduction
Pinnacle	2.10
Pinnacle Breakup Amount	4.8(a)
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Plan Shares	1.3
Preferred Rights	3.2(a)
Prior Plan	Preliminary Statement
Proxy Statement	4.13(a)
Registration Rights Agreement	Preliminary Statement
Registration Statement	4.20(c)
Replacement Tower Agreement	6.1(j)
Rights Agreement	3.2(a)
Rights Offering	4.20(a)
SEC	2.5(a)
Securities Act	2.3
Security Interest	2.3
Standby Purchase Commitments	Preliminary Statement
Standby Purchasers	Preliminary Statement
State Authority	2.14(a)
Surviving Corporation	1.1
Tax Returns	2.8(a)
Taxes	2.8(a)

Defined Term

Section

Unaudited Quarterly Financial Statements 4.10

ARTICLE VIII

GENERAL PROVISIONS

8.1 Press Releases and Announcements. No Party shall issue any press release or announcement relating to the subject matter of this Agreement without the prior written approval of the other Parties; provided, however, that any Party may make any public disclosure it determines in good faith, after consultation with counsel, is required by law or regulation (in which case the disclosing Party shall advise the other Parties and provide them with a copy of the proposed disclosure prior to making the disclosure).

8.2 No Third Party Beneficiaries. Except as otherwise expressly provided herein, this Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.

8.3 Entire Agreement. This Agreement and the exhibits and schedules attached hereto, including the Amended Plan, and the Confidentiality Agreement constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations by or among the Parties, written or oral, that may have related in any way to the subject matter of the Agreement.

8.4 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Parties; provided, that the Buyer may assign its rights under this Agreement to another wholly owned subsidiary of the Buyer by notice to the Company; provided, further, that the Buyer shall remain liable for all its obligations hereunder.

8.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

8.6 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

8.7 Notices. All notices, requests, demands, claims and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly delivered three business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or two business days after it is sent via a reputable international overnight courier service, in each case to the intended recipient as set forth below:

If to the Company:

MobileMedia Communications, Inc.
Fort Lee Executive Park
One Executive Drive, Suite 500
Fort Lee, NJ 07024
Attn: Chairman - Restructuring

Copy to:

Sidley & Austin
875 Third Avenue
New York, NY 10022
Attn: James D. Johnson

If to the Parent:

MobileMedia Corporation
Fort Lee Executive Park
One Executive Drive, Suite 500
Fort Lee, NJ 07024
Attn: Chairman - Restructuring

Copy to:

Sidley & Austin
875 Third Avenue
New York, NY 10022
Attn: James D. Johnson

If to the Buyer:

Arch Communications Group, Inc.
1800 West Park Drive, Suite 250
Westborough, MA 01581
Attn: Chairman and Chief
Executive Officer

Copy to:

Hale and Dorr LLP
60 State Street
Boston, MA 02109
Attn: Jay E. Bothwick

Any Party may give any notice, request, demand, claim or other communication hereunder by personal delivery or telecopy, but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the Party for whom it is intended. Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner herein set forth.

8.8 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws (and not the law of conflicts) of the State of Delaware.

8.9 Amendments and Waivers. The Parties may mutually amend any provision of this Agreement at any time by a written instrument signed by all of the Parties. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

8.10 Severability. If any court of competent jurisdiction determines that any material provision of this Agreement is invalid or unenforceable, then, only to the extent the Parties agree, such provision shall be severable and null and void, and, in such event, such determination shall in no way limit or affect the enforceability or operative effect of any or all other portions of this Agreement.

8.11 Expenses. Except as otherwise set forth in this Agreement, each of the Parties shall bear its or their own costs and expenses (including fees and expenses of their respective legal, accounting and financial advisors) incurred in connection with this Agreement and the transactions contemplated hereby.

8.12 Specific Performance. Each of the Parties acknowledges and agrees that one or more of the other Parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each of the Parties agrees that the other Parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action instituted in any court having jurisdiction over the Parties and the matter, in addition to any other remedy to which it may be entitled, at law or in equity.

8.13 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any Party. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

8.14 Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

8.15 Knowledge. For purposes of this Agreement, the term "knowledge" of the Company and the Buyer shall mean the actual knowledge, after due inquiry, of the senior executive officers of the Buyer and each of its Subsidiaries and the Parent, the Company and each other Debtor, respectively.

8.16 Survival of Representations. None of the representations and warranties made by the Parties herein or the documents or certificates contemplated hereby, nor the covenants set forth in Article IV, shall survive the Closing.

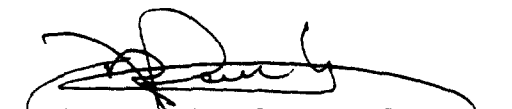
8.17 Bankruptcy Process. Nothing contained in this Agreement shall be deemed to limit in any manner the ability of any Debtor to take any position before or make any motion to the Bankruptcy Court in connection with the Chapter 11 Proceeding; provided, however, that no Debtor shall take any such position or make any such motion in support of any action or inaction by such Debtor that would constitute a breach of any covenant of the Company contained in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement and Plan of Merger as of the date first above written.

ARCH COMMUNICATIONS GROUP, INC.

By: 
Name: J. ROY POTTLE
Title: Executive Vice President and
Chief Financial Officer

FARM TEAM CORP.

By: 
Name: J. ROY POTTLE
Title: Executive Vice President and
Chief Financial Officer

SUBJECT TO ENTRY OF THE PROVISION
ORDER AS TO THE PROVISIONS HEREOF
COVERED THEREBY AND TO THE RECEIPT OF
THE CONFIRMATION ORDER FROM THE
BANKRUPTCY COURT WITH RESPECT TO THE
AMENDED PLAN AS DESCRIBED HEREIN:

MOBILEMEDIA CORPORATION

By: _____
Name:
Title:

MOBILEMEDIA COMMUNICATIONS, INC.

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have executed this Agreement and Plan of Merger as of the date first above written.

ARCH COMMUNICATIONS GROUP, INC.

By: _____
Name:
Title:

FARM TEAM CORP.

By: _____
Name:
Title:

SUBJECT TO ENTRY OF THE PROVISION ORDER AS TO THE PROVISIONS HEREOF COVERED THEREBY AND TO THE RECEIPT OF THE CONFIRMATION ORDER FROM THE BANKRUPTCY COURT WITH RESPECT TO THE AMENDED PLAN AS DESCRIBED HEREIN:

MOBILEMEDIA CORPORATION

By: JA Bondi
Name: Joseph A. Bondi
Title: Chairman - Restructuring

MOBILEMEDIA COMMUNICATIONS, INC.

By: JA Bondi
Name: Joseph A. Bondi
Title: Chairman - Restructuring

B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
MobileMedia Communications,)	Case No. 97-174 (PJW)
Inc., et al.,)	
)	(Jointly Administered)
Debtors)	

DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION

Dated: August 18, 1998

J. Ronald Trost
James D. Johnson
Shelley C. Chapman
Lee M. Stein
SIDLEY & AUSTIN
875 Third Avenue
New York, New York 10022
(212) 906-2000

James L. Patton, Jr. (No. 2202)
Joel A. Waite (No. 2925)
YOUNG CONAWAY STARGATT &
TAYLOR, LLP
P.O. Box 391
Wilmington, Delaware 19899
(302) 571-6600

Co-Counsel to Debtors and
Debtors-in-Possession

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Exhibit A

Registration Rights Agreement
(10% Holders)

Exhibits B-1 through B-4

Standby Purchase Commitment

Schedule 1

Assumed Employment and Benefit
Agreements

MobileMedia Corporation, a Delaware corporation ("MobileMedia"), MobileMedia Communications, Inc., a Delaware corporation ("Communications"), MobileMedia Communications, Inc. (California), a California corporation, MobileMedia DP Properties, Inc., a Delaware corporation, MobileMedia PCS, Inc., a Delaware corporation, Dial Page Southeast, Inc., a Delaware corporation, Radio Call Company of Va., Inc., a Virginia corporation, MobileMedia Paging, Inc., a Delaware corporation, Mobile Communications Corporation of America, a Mississippi corporation, MobileComm of the Southeast, Inc., a Delaware corporation, MobileComm of the Northeast, Inc., a Delaware corporation, MobileComm Nationwide Operations, Inc., a Delaware corporation, MobileComm of Tennessee, Inc., a Tennessee corporation, MobileComm of the Southeast Private Carrier Operations, Inc., a Georgia corporation, MobileComm of the Southwest, Inc., a Texas corporation, MobileComm of Florida, Inc., a Florida corporation, MobileComm of the Midsouth, Inc., a Missouri corporation, FWS Radio, Inc., a Texas corporation, and MobileComm of the West, Inc., a California corporation, each a debtor and debtor-in-possession herein (collectively, the "Debtors"), propose the following First Amended Joint Plan of Reorganization (the "Plan").

INTRODUCTION

This Plan encompasses a reorganization of the Debtors pursuant to which Communications will merge with and into Farm Team Corp., a Delaware corporation ("Merger Subsidiary") and a subsidiary of Arch Communications Group, Inc. ("Arch"), with Merger Subsidiary being the surviving company. The Debtors' creditors will receive cash or equity securities of Arch. There will be no recovery for the Debtors' equity security holders.

Reference is made to the Disclosure Statement accompanying this Plan, including the exhibits thereto, for a discussion of the Debtors' and Arch's history, business, results of operations and properties, and for a summary and analysis of this Plan. All creditors are encouraged to consult the Disclosure Statement and to read this Plan carefully before voting to accept or reject this Plan.

NO SOLICITATION MATERIALS, OTHER THAN THE DISCLOSURE STATEMENT AND RELATED MATERIALS TRANSMITTED THEREWITH AND APPROVED BY THE BANKRUPTCY COURT, HAVE BEEN AUTHORIZED BY THE BANKRUPTCY COURT FOR USE IN SOLICITING ACCEPTANCES OR REJECTIONS OF THIS PLAN.

ARTICLE I **DEFINITIONS; INTERPRETATION**

1.1 Definitions.

In addition to such other terms as are defined in other Sections of this Plan, the following terms (which appear in this Plan as capitalized terms) shall have the meanings set forth

below. A term used in this Plan and not defined in this Plan but that is defined in the Code has the meaning set forth in the Code.

"9 $\frac{3}{8}$ % Note Indenture" means the Indenture dated as of November 13, 1995, between Communications, as Issuer, and State Street Bank and Trust Company, as Trustee.

"9 $\frac{3}{8}$ % Notes" means the Senior Subordinated Notes due November 1, 2007, issued pursuant to the 9 $\frac{3}{8}$ % Note Indenture.

"10 $\frac{1}{2}$ % Note Indenture" means the Indenture dated as of December 1, 1993, between Communications, as Issuer, and First Trust USA (as successor to BankAmerica National Trust Company), as Trustee, as amended.

"10 $\frac{1}{2}$ % Notes" means the 10 $\frac{1}{2}$ % Senior Subordinated Deferred Coupon Notes due December 1, 2003, issued pursuant to the 10 $\frac{1}{2}$ % Note Indenture.

"1995 Credit Agreement" means the Credit Agreement dated as of December 4, 1995, as amended, among Communications, the Pre-Petition Lenders and the Pre-Petition Agent.

"Administrative Claim" means a Claim to the extent that it is of the kind described in section 503(b) of the Code and is entitled to priority under section 507(a)(1) of the Code.

"Allowed" means as to any Claim (whether an Administrative Claim, Priority Claim, Priority Tax Claim, Secured Claim or Unsecured Claim), the extent to which such Claim:

- (a) (i) was timely filed or listed in the Schedules and not listed as disputed, contingent or unliquidated as to amount; and
- (ii) the Debtors, the Reorganized Debtors or any other party in interest entitled to do so has not and does not file an objection to such Claim within the time period set forth for objecting in Section 4.4;
- (b) is allowed by a Final Order of the Bankruptcy Court; or
- (c) is allowed by this Plan.

"Arch Capital Shares" means, collectively, the Arch Common Shares and the Arch Class B Common Shares.

"Arch Class B Common Shares" means the shares of Class B Common Stock of Arch, par value \$0.01 per share, to be authorized and issued as and when contemplated by the Merger Agreement.

"Arch Common Shares" means the shares of Common Stock of Arch, par value \$0.01 per share, which are issued and outstanding plus additional shares which will be authorized and issued as and when contemplated by the Merger Agreement.

"Arch Series C Convertible Preferred Shares" means the shares of Series C Convertible Preferred Stock of Arch, par value \$0.01 per share.

"Arch Warrants" means warrants for the purchase of Arch Common Shares, certain of which Warrants will be part of the Units to be subscribed for in the Rights Offering, and all of which Warrants will be issued pursuant to a Warrant Agreement governing their issuance and exercise that will be in the form set forth in Exhibit B to the Merger Agreement.

"Ballot" means the ballot for voting to accept or reject this Plan distributed by the Debtors to all holders of impaired Claims entitled to vote on this Plan.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware in which the Cases were filed on January 30, 1997, or any other court with jurisdiction over the Cases.

"Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as amended from time to time to the extent applicable to the Cases.

"Benefit Plan Indemnification Obligations" means Indemnification Obligations with respect to any officer or employee serving as a fiduciary of any employee benefit plan or program of the Debtors, pursuant to charter, by law, contract or applicable state law for any actions taken or not taken in the discharge of such officer's or employee's duties as a fiduciary of such employee benefit plans or programs.

"Business Day" means any day other than a Saturday, Sunday or day on which commercial banks in the city of New York, New York or the States of New Jersey or Delaware are authorized or required to close.

"Capped Administrative Claims" means the Debtors' good faith estimate of the sum of (i) Priority Tax Claims, (ii) Administrative Claims for (x) bonuses payable to employees and professionals on or as a result of the Effective Date, (y) amounts necessary to cure any defaults in executory contracts or unexpired leases assumed pursuant to this Plan as required by section 365(b) of the Code and (z) any accrued and unpaid fees and expenses of professionals retained by the Debtors or the Committee pursuant to orders of the Bankruptcy Court, and (iii) Claims for (x) the Allowed Class 4 Claims described in Section 2.6(B)(ii), (iii) and (iv), (y) the Allowed Class 5 Claims described in Section 2.7(B), and (z) Allowed Class 6 Claims of the indenture trustees under the Subordinated Indentures described in Section 2.8(C)(3), in each case (other than those Claims in clause (iii)(z) hereof which shall be payable until such professionals no longer provide services to their respective constituencies on account of the Cases), accrued and unpaid or payable as of the Effective Date, which estimate shall be in reasonable detail (which in the case of professional fees, shall be in substantially the same form as would be submitted to the Bankruptcy

Court) and shall be delivered to Arch (with a copy to the Committee) twenty days prior to the Effective Date. If no objection is made by Arch to the Debtors' estimate within ten days after receipt thereof, the estimate shall be deemed to be the amount of Capped Administrative Claims for purposes of Section 2.1(D). If Arch delivers to the Debtors (with a copy to the Committee) a written objection to the Debtors' estimate within ten days after receipt of such estimate, and the Debtors and Arch are unable to resolve such objection, it shall be submitted to the Bankruptcy Court to be determined on or as soon as practicable after the Effective Date.

"Cash Equivalent" means, with respect to any Right, an amount equal to the value of such Right as determined based on the actual proceeds received from the sale of Rights from the Rights Reserve pursuant to Section 4.1(B)(5) (or, if the Rights Reserve is then fully depleted, the fair value thereof as of the time such sale would have occurred based on the market price for such Right or, if no such price is available, as determined by the Debtors, Arch and the Committee in good faith or determined by the Bankruptcy Court if no agreement can be reached).

"Cases" means the reorganization proceedings of the Debtors under chapter 11 of the Code, jointly administered as Case No. 97-174 (PJW).

"Causes of Action" means all claims and causes of action now owned or hereafter acquired by the Debtors, whether arising under any contract or under the Code or other federal or state law, including, without limitation, any causes of action arising under sections 544, 545, 547, 548, 549, 550, 551, 553(b) or other sections of the Code.

"Claim" means "claim" as defined in section 101(5) of the Code, as supplemented by section 102(2) of the Code, and shall, in each case, mean a Claim against any Debtor (whether or not so designated).

"Class" means each class of Claims or Claims and Interests created under this Plan.

"Class 6 Adjusted Pro Rata Share" means, as to any Allowed Class 6 Claim, as of the date that is five Business Days prior to the Final Distribution Date, a fraction (i) the numerator of which is the amount of such Allowed Class 6 Claim and (ii) the denominator of which is the aggregate amount of all Allowed Class 6 Claims as of such date.

"Class 6 Pro Rata Share" means, as to any Allowed Claim in Class 6 on the Effective Date or such later date (prior to the Final Distribution Date) as such Claim becomes Allowed, a fraction (i) the numerator of which is the amount of such Allowed Claim and (ii) the denominator of which is the sum of (x) the Effective Date Disputed Claims, (y) the Effective Date Allowed Claims and (z) an estimate of the aggregate amount of Claims arising from the rejection of executory contracts and unexpired leases pursuant to Section 3.1 that are anticipated to become Allowed Claims, such estimate to be mutually agreed upon by the Debtors, the Committee and Arch in good faith or determined by the Bankruptcy Court if no such agreement can be reached.

"Code" means the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended from time to time to the extent applicable to the Cases.

"Committee" means the Official Committee of Unsecured Creditors appointed by the United States Trustee for the District of Delaware on February 10, 1997.

"Common Stock" means, collectively, (i) the Class A common stock of MobileMedia, par value \$.001, issued and outstanding immediately prior to the Effective Date, (ii) the Class B common stock of MobileMedia, par value \$.001, issued and outstanding immediately prior to the Effective Date and (iii) all options, warrants and other rights to purchase the Class A common stock or the Class B common stock of MobileMedia.

"Common Stock Claim" means any Claim with respect to the Common Stock of the kind described in section 510(b) of the Code, including, without limitation, any such Claim asserted in or by the parties to the Securities Actions and any Claim by an officer, director or underwriter for contribution, reimbursement or indemnification related thereto.

"Confirmation" means "confirmation" as used in section 1129 of the Code.

"Confirmation Date" means the date on which the Confirmation Order is entered by the Bankruptcy Court.

"Confirmation Hearing" means the hearing at which the Bankruptcy Court considers Confirmation of this Plan.

"Confirmation Order" means an order of the Bankruptcy Court confirming this Plan, which order shall be reasonably satisfactory to Arch and, as to the provisions relating to the treatment of Allowed Class 4 Claims, the Pre-Petition Agent.

"Creditor" means "creditor" as defined in section 101(10) of the Code and shall mean a creditor of any Debtor.

"Creditor Stock Pool" means a number of newly-issued Arch Common Shares equal to approximately [16.9%-31.0%]¹ of the issued and outstanding Arch Capital Shares, on the date the "Buyer Market Price" is determined in accordance with Schedule II to the Merger Agreement, computed on a Diluted Basis and after giving effect to the Plan as if the Effective Date had occurred on such date and assuming 21,067,110 Arch Common Shares are issued and outstanding immediately prior thereto, as such number of shares constituting the Creditor Stock Pool may be adjusted pursuant to Section 2.1(D).

¹ Such percentage will be fixed prior to soliciting votes on this Plan based on the pricing mechanism set forth in Schedule II to the Merger Agreement.

"Customer Refund Claim" means a Claim by a customer or subscriber of any of the Debtors for refund of amounts improperly paid or billed, or for the return of a deposit.

"Dial Page Indenture" means the Indenture dated as of February 1, 1993, between Dial Page, Inc., a Delaware corporation, as Issuer, and the Dial Page Indenture Trustee, as amended.

"Dial Page Indenture Trustee" means Norwest Bank Minnesota, N.A. (as successor to First Union Bank of South Carolina), as Trustee under the Dial Page Indenture.

"Dial Page Notes" means the 12¼% Senior Notes due 2000, issued pursuant to the Dial Page Indenture.

"Diluted Basis" means after giving effect to (i) the issuance and distribution pursuant to this Plan of the Arch Capital Shares (including the Arch Capital Shares issued upon exercise of the Rights issued pursuant to the Rights Offering but excluding Arch Capital Shares issued or issuable upon exercise of the Arch Warrants) and (ii) the assumed issuance of all Arch Common Shares issuable upon conversion of all convertible preferred stock (including the Arch Series C Convertible Preferred Shares) and convertible debt securities of Arch outstanding as of the date the "Buyer Market Price" is determined in accordance with Schedule II to the Merger Agreement.

"DIP Agent" means The Chase Manhattan Bank, in its capacity as agent for the DIP Lenders under the DIP Credit Agreement.

"DIP Approval Orders" means, collectively, (i) the Final Order (I) Authorizing (A) Secured Post-Petition Financing On A Super Priority Basis Pursuant To 11 U.S.C. § 364, (B) Use Of Cash Collateral Pursuant to 11 U.S.C. § 363 and (C) Grant Of Adequate Protection Pursuant To 11 U.S.C. §§ 363 And 364, dated February 19, 1997, (ii) Order (I) Authorizing Extension of (A) Secured Post-Petition Financing On A Super Priority Basis Pursuant To 11 U.S.C. § 364, (B) Use Of Cash Collateral Pursuant To 11 U.S.C. § 363 And (C) Grant Of Adequate Protection Pursuant To 11 U.S.C. §§ 363 And 364 And (II) Scheduling A Final Hearing Pursuant To Bankruptcy Rule 4001(c), dated January 27, 1998 and (iii) Order (I) Authorizing Extension of (A) Secured Post-Petition Financing On A Super Priority Basis Pursuant To 11 U.S.C. § 364, (B) Use Of Cash Collateral Pursuant To 11 U.S.C. § 363 And (C) Grant Of Adequate Protection Pursuant To 11 U.S.C. §§ 363 And 364 And (II) Scheduling A Final Hearing Pursuant To Bankruptcy Rule 4001(c), dated July 28, 1998.

"DIP Credit Agreement" means the Revolving Credit and Guarantee Agreement dated as of January 30, 1997, as amended, among Communications, as Borrower, MobileMedia, as Parent and Guarantor, each of the direct and indirect subsidiaries of Communications designated as Guarantor in Schedule 3.5 thereto, as Guarantors, the DIP Agent and the DIP Lenders.

"DIP Lenders" means those financial institutions from time to time party to the DIP Credit Agreement as lenders.

"Director Indemnification Obligations" means Indemnification Obligations with respect to any present or former director of any of the Debtors.

"Disclosure Statement" means the Disclosure Statement respecting this Plan approved by order of the Bankruptcy Court, and all supplements and exhibits thereto.

"Disputed Claim" means a Claim against any of the Debtors to the extent that such Claim is not Allowed.

"Effective Date" means the date on which this Plan becomes effective which date shall be ten Business Days after all the conditions to the Effective Date set forth in Section 5.1 have first been satisfied or waived, or such earlier date (but not less than seven Business Days after such conditions have first been satisfied or waived) as the Debtors, Arch, the Pre-Petition Agent, the DIP Agent and the Committee shall agree.

"Effective Date Allowed Claims" means those Class 6 Claims that have been Allowed by order of the Bankruptcy Court prior to the Effective Date or that are Allowed pursuant to this Plan, as set forth in a schedule delivered by the Debtors to the Exchange Agent and Arch two Business Days prior to the Effective Date, which schedule, absent manifest error, shall be conclusive for the purposes of calculating Class 6 Pro Rata Share and Class 6 Adjusted Pro Rata Share.

"Effective Date Disputed Claims" means, on and as of the Effective Date, any Class 6 Claim that is a Disputed Claim on and as of such date, in the full amount set forth in any timely filed proof of claim or listed by the Debtors in the Schedules, as set forth in a schedule delivered by the Debtors to the Exchange Agent and Arch two Business Days prior to the Effective Date, which schedule, absent manifest error, shall be conclusive for purposes of calculating Class 6 Pro Rata Share and Class 6 Adjusted Pro Rata Share.

"Estate Representative" has the meaning given such term in Section 4.2(C)(5).

"Exchange Agent" means a bank trust company or other entity reasonably satisfactory to MobileMedia and the Committee, appointed by Arch to act as the exchange agent for making distributions to the holders of Allowed Class 6 Claims.

"Excluded Indemnification Obligations" means Indemnification Obligations with respect to (i) any present or former officer of the Debtors considered as of the Effective Date by the FCC to be an alleged wrongdoer for purposes of the FCC Proceeding, (ii) any present or former officer of the Debtors now or hereafter named as a defendant in the Securities Actions, as to claims arising out of the matters alleged in the Securities Actions, (iii) any present or former officer of the Debtors named as a defendant in any action initiated after the date hereof based upon similar factual allegations, or alleging similar causes of action, to the Securities Actions, as

to claims arising out of the matters alleged therein, (iv) any officer or employee of the Debtors that is not an officer or employee as of the Effective Date, (v) present or former professionals or advisors of the Debtors, including, without limitation, accountants, auditors, financial consultants, underwriters or attorneys, other than Indemnification Obligations arising out of post-petition agreements approved by the Bankruptcy Court, and (vi) any Indemnification Obligation of the kind described in section 510(b) of the Code.

"FCC" means the Federal Communications Commission or any governmental authority succeeding to the rights and powers thereof.

"FCC Proceeding" means the hearing in WT Docket No. 97-115, In the Matter of MobileMedia Corporation, et al.

"Final Distribution Date" means the tenth Business Day after the day on which no Class 6 Claim remains a Disputed Claim.

"Final Order" means, as to any court, administrative agency or other tribunal, an order or judgment of such tribunal as entered on its docket as to which the time to appeal or petition for certiorari has expired and as to which no appeal or petition for certiorari is pending or, if an appeal or petition for certiorari has been timely filed or taken, the order or judgment of the tribunal has been affirmed (or such appeal or petition has been dismissed as moot) by the highest court (or other tribunal having appellate jurisdiction over the order or judgment) to which the order was appealed or the petition for certiorari has been denied, and the time to take any further appeal or to seek further certiorari has expired.

"Fully Diluted Basis" means after giving effect to (i) the issuance and distribution pursuant to this Plan of the Arch Capital Shares (including the Arch Capital Shares issued upon exercise of the Rights issued pursuant to the Rights Offering), (ii) the assumed issuance of all Arch Common Shares issuable upon conversion of all convertible preferred stock (including the Arch Series C Convertible Preferred Shares) and convertible debt securities of Arch outstanding as of the date the "Buyer Market Price" is determined in accordance with Schedule II to the Merger Agreement, and (iii) the assumed issuance of all Arch Common Shares issuable upon the exercise of the Arch Warrants.

"Indemnification Obligations" means the obligation of any of the Debtors to indemnify, reimburse or provide contribution to any present or former officer, director or employee, or any present or former professionals or advisors of the Debtors, including, without limitation, accountants, auditors, financial consultants, underwriters or attorneys, whether pursuant to charter, by law, contract or statute, regardless of whether the indemnification is owed in connection with a pre-Petition Date or post-Petition occurrence.

"Interest" means all rights (including unpaid dividends) arising from any equity security (as defined in section 101(16) of the Code) of the Debtors, including, without limitation, the Common Stock, but excluding Common Stock Claims.

"License Co. L.L.C." means the limited liability company to be formed as a wholly owned subsidiary of MCCA as reorganized pursuant to this Plan that will hold the Reorganized Debtors' Licenses after the Effective Date.

"Licenses" means the licenses and other authorizations of the Debtors to operate their paging networks.

"Lien" means, with respect to any interest in property, any mortgage, lien, pledge, charge, security interest, easement or encumbrance of any kind whatsoever affecting such interest in property.

"Merger" means the merger of Communications into Merger Subsidiary contemplated by the Merger Agreement and Section 4.2(B).

"Merger Agreement" means the Agreement and Plan of Merger by and among Arch, the Merger Subsidiary, MobileMedia and Communications dated as of August 18, 1998.

"MCCA" means Mobile Communications Corporation of America, a Mississippi corporation.

"Miscellaneous Secured Claim" means a Secured Claim not classified in Class 4 under this Plan.

"Net Tower Sale Proceeds" shall be the Net Cash Proceeds (as defined in the DIP Credit Agreement) from the Debtors' sale of their towers and certain related assets, as set forth in the Tower Sale Agreement, which Net Cash Proceeds shall be at least \$165 million.

"Non-Priority Unsecured Claim" means any Unsecured Claim not classified in Class 3, 5, 7, 8 or 9 under this Plan.

"Note Litigation Claim" means any Claim with respect to the Notes of the kind described in section 510(b) of the Code, including, without limitation, any such Claim asserted in or by the parties to the Securities Actions and any Claim by an officer, director or underwriter for contribution, reimbursement or indemnification related thereto.

"Notes" means, collectively, the Dial Page Notes, the 9³/₈% Notes and the 10¹/₂% Notes.

"Person" means any person, including, without limitation, any individual, partnership, joint venture, corporation, company, trust, estate, unincorporated organization and any governmental unit.

"Personal Injury Claim" means a Claim against any of the Debtors that is unliquidated or contingent as of the Confirmation Date and is of the kind described in 28 U.S.C. § 157(b)(5).